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Letter dated 20 November 2017 from the Panel of Experts on South Sudan addressed to the President of the Security Council

The members of the Panel of Experts on South Sudan, whose mandate was extended pursuant to Security Council resolution 2353 (2017), have the honour to transmit herewith the Panel's interim report, which was submitted in accordance with paragraph 2 of resolution 2353 (2017), by which the provisions of paragraph 12 (e) of resolution 2290 (2016) were renewed.

The report was provided to the Security Council Committee established pursuant to resolution 2206 (2015) on 27 October 2017.

The Panel would appreciate if the present letter and the report were brought to the attention of the members of the Security Council and issued as a document of the Council.

(*Signed*) Klem **Ryan**
Coordinator
Panel of Experts on South Sudan

(*Signed*) Andrews **Atta-Asamoah**
Expert

(*Signed*) Andrei **Kolmakov**
Expert

(*Signed*) Anna **Oosterlinck**
Expert

(*Signed*) Colin **Thomas-Jensen**
Expert

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Interim report of the Panel of Experts on South Sudan

Summary

Since the mandate of the Panel Experts on South Sudan was renewed in May 2017, fighting has continued in diverse locations around the country, with the consequences of the violence endured largely by civilians. Meanwhile, the economic situation continues to worsen, as various conflict actors move deeper into a "war economy", wherein the extraction of resources (oil, gold and teak, inter alia) is carried out in the furtherance of, and in parallel to, military operations and the enrichment of elites. Those who can flee the violence continue to do so, leading to large flows of internally displaced persons and refugees, many of whom face extreme food insecurity, disease, family and community dissolution and disrupted education.

Despite the catastrophic conditions in South Sudan, armed forces, armed groups and militias, particularly those affiliated with the President, Salva Kiir, and the First Vice-President, Taban Deng Gai, continue to actively impede both humanitarian and peacekeeping operations. The foreseeable and, in the Panel's assessment, intended consequence of those impediments is unequivocally clear: humanitarian aid and operations to protect civilians from violence are often unable to achieve their aims, resulting in a worsening humanitarian crisis in many areas. Specifically, the Panel finds that government forces have employed tactics to intentionally depopulate parts of Upper Nile and deliberately increase food insecurity in Bagari, near Wau.

Opposition to the Government has become increasingly diverse and widespread as the conflict has expanded to different parts of the country. Opposition groups lack access to significant military materiel, a factor that has been exploited by the Government during its military offensives in Jonglei and Upper Nile in 2017.

Diplomatic efforts by some regional States have intensified in recent months, in an attempt to advance the establishment of the high-level revitalization forum of the Intergovernmental Authority on Development (IGAD). The aim of the forum is to resuscitate the Agreement on the Resolution of the Conflict in the Republic of South Sudan of August 2015, following the collapse of the transitional government in July 2016. While IGAD has embarked on wide-ranging consultations with numerous stakeholders in South Sudan, the lack of political will on the part of the Government and some opposition groups is a significant obstacle to peace, especially when combined with underlying rivalries, competing interests and divergent preferences among regional States over how to resolve the conflict and deal with spoilers.

Absent a change in the current conflict dynamics, the coming dry season will see further fighting and civilian suffering, as the Government continues to pursue military victory over political compromise.

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I. Background

A. Mandate and appointment

1. By its resolution 2206 (2015), the Security Council imposed a sanctions regime targeting individuals and entities contributing to the conflict in South Sudan and established a sanctions committee (Security Council Committee established pursuant to resolution 2206 (2015) concerning South Sudan). The Committee designated six individuals for targeted sanctions on 1 July 2015. With the adoption by the Council of resolution 2353 (2017) on 24 May 2017, the sanctions regime was renewed until 31 May 2018.

2. In establishing the sanctions regime, the Security Council decided that the sanctions measures, consisting of a travel ban and an asset freeze, would apply to individuals and/or entities designated by the Committee as responsible for, complicit in or having engaged in, directly or indirectly, actions or policies threatening the peace, security or stability of South Sudan.

3. The Security Council also established a panel of experts (Panel of Experts on South Sudan) to provide information and analysis regarding the implementation of the resolution. This includes information relevant to potential designations and information regarding the supply, sale or transfer of arms and related materiel and related military or other assistance, including through illicit trafficking networks, to individuals and entities undermining political processes or violating international human rights law or international humanitarian law. By Council resolution 2353 (2017), the Panel's mandate was extended until 30 June 2018.

4. On 11 July 2017, the Secretary-General, in consultation with the Committee, appointed the five members of the Panel (see S/2017/594): a regional issues expert (Andrews Atta-Asamoah), a natural resources and finance expert (Andrei Kolmakov), a humanitarian affairs expert (Anna Oosterlinck), a coordinator and arms expert (Klem Ryan) and an armed groups expert (Colin Thomas-Jensen).

5. To date during the current mandate, members of the Panel have travelled to Ethiopia, Italy, Kenya, South Sudan, Switzerland, Uganda, the United Arab Emirates, the United Kingdom of Great Britain and Northern Ireland and the United States of America.

B. Methodology

6. The present report was prepared on the basis of research and interviews conducted by the Panel between July and October 2017, as well as a review of available documents from the Government of South Sudan, regional entities, including the Intergovernmental Authority on Development (IGAD) and the African Union, and international organizations working on issues pertaining to South Sudan. The report also draws on earlier work by the Panel, including previous reports to the Security Council, both public and confidential, hundreds of interviews and a large body of information and evidence provided by a wide range of sources.

7. The Panel follows the standards recommended by the Informal Working Group of the Security Council on General Issues of Sanctions in its report of December 2006 (S/2006/997, annex). Those standards call for reliance on verified, genuine documents, concrete evidence and on-site observations by experts, including photographs wherever possible. The Panel has corroborated all information contained in the present report using multiple, independent sources to meet the appropriate evidentiary standard.

8. The Panel has conducted its work with the greatest transparency possible, while being cognizant of protecting confidentiality where necessary. When sources are described as "confidential" or not expressly named herein, the Panel has determined that disclosing their identity would present a credible threat to their safety. When a confidential military source is referred to herein as a "senior" officer or commander, the source holds a rank between lieutenant colonel and brigadier general. When a confidential military source is referred to as a "high-ranking" officer or commander, the source holds a rank of major general or above. A document is described as confidential when its disclosure could compromise the safety of the source or otherwise compromise ongoing Panel investigations.

9. To gather, examine and analyse information regarding the supply, sale or transfer of arms and related materiel, as mandated in resolution 2353 (2017), the Panel has used a combination of inspections of arms and equipment, photographs, other visual evidence, assessments of documentation and interviews with first-hand sources. In the absence of an arms embargo, formal inspections of weapons stockpiles were not possible.

C. Cooperation with international organizations and other stakeholders

10. While the Panel operates independently of United Nations agencies and institutions, it nonetheless expresses its gratitude to the leadership and personnel of the United Nations Mission in South Sudan (UNMISS) and the Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan, together with other United Nations staff in Addis Ababa, Kampala and Nairobi, for their invaluable support.

11. As at 27 October 2017, the Panel had sent 57 items of official correspondence to 37 recipients, including Member States, organizations and other entities, and had received 22 replies providing the information requested.

II. Conflict summary

12. The period since the renewal of the Panel's mandate in May has been marked by the continuation of conflict-related trends already noted in its earlier reports to the Security Council: active fighting continues in diverse locations around the country, with the consequences of violence, impunity and predatory activities endured largely by civilians, and the economic situation continues to worsen, as various conflict actors move deeper into a "war economy", wherein the extraction of resources (oil, gold and teak, inter alia) is carried out in the furtherance of, and in parallel to, military operations and the enrichment of elites. Those who can flee the violence continue to do so, leading to increased flows of internally displaced persons and refugees and, for the majority of South Sudanese, increased exposure to food insecurity, disease, family and community dissolution and disrupted education.

13. Despite these increasingly fragmented and disruptive trends, there are clear examples that the senior leadership of the Government and, to a lesser degree, opposition groups, continue to exercise command and control of important tactical and strategic issues. The dismissal of General Paul Malong by the President, Salva Kiir, and his capture and detention by the National Security Service in May 2017 represented a carefully planned and executed operation. It also illustrated the centrality of the Service and its head, Lieutenant General Akol Koor Kuc, who

coordinated the operation that prevented Malong from reaching Aweil, to the President's strategy for supressing potential rivals.[1]

14. Command and control, particularly in relation to the National Security Service, is also demonstrated by the complex network of impediments to both humanitarian and peacekeeping operations. The Panel has documented, in extensive interviews and reports of organizations and individuals working in South Sudan, that the combined constraints from ever-increasing bureaucracy, taxes, personnel detentions, harassment, threats, access denials and violence are systematic. The foreseeable and, in the Panel's assessment, intended consequence of those impediments is unequivocally clear: humanitarian aid and operations to protect civilians from violence are often unable to achieve their aims. As demonstrated below with reference to obstruction in Western Bahr el-Ghazal and Upper Nile, it is equally clear that this network of impediments is not the product of confusion and misunderstanding or caused by the failure of aid operations and the peacekeeping mission to communicate effectively with local authorities. Rather, the systematic nature of the impediments reveals a clear tactic to constrain humanitarian efforts and peacekeeping operations in order to prevent effective operations, conceal gross violations of human rights and co-opt resources from international donors towards the war effort.[2]

15. While there is evidence that all armed groups have, at times, engaged in obstruction tactics, it is the Government that is largely responsible for such systematic obstruction. In subsequent sections of the present report, the Panel illustrates this through evidence from Western Bahr el-Ghazal and Upper Nile. These areas are located on opposite sides of the country and exhibit different conflict dynamics, yet the manipulation of aid and the denial of access by government forces at critical moments have been constant factors in each location. This is particularly the case in the greater Bagari area, near Wau, where denial of aid by the Government has caused extreme food insecurity among large sections of the population, with malnutrition and death by starvation the documented outcome.

16. With regard to opposition forces, Riek Machar continues to maintain overall command of the operations of the Sudan People's Liberation Army (SPLA) in Opposition, although his isolation in South Africa has limited to some degree his day-to-day oversight. Given the significant gains made by government forces in opposition-held areas, the apparent continued lack of significant military resupply to opposition forces and some defections from SPLA in Opposition to other opposition groups, Machar's influence over his forces has been seriously undermined. Meanwhile, Thomas Cirillo Swaka continues to attempt to build influence for the National Salvation Front, in particular in Central Equatoria. National Salvation Front and SPLA in Opposition forces have engaged in small-scale confrontations in recent months in the wake of defections from the latter to the former, in particular to the faction led by John Kenyi Loburon in July 2017.[3]

17. Absent a change in the current conflict dynamics, the coming dry season is likely to see an escalation in the fighting and associated civilian suffering in many areas, including but not limited to Eastern Equatoria, Jonglei, Upper Nile and Unity, as the Government continues to pursue military victory over political compromise.

[1] The Panel was in Juba the week prior to Paul Malong's dismissal and bases its findings regarding the role played by Akol Koor Kuc on interviews with senior South Sudanese political and military figures with first-hand knowledge of the situation.

[2] Two examples through which the Government has sought to co-opt resources are the looting of the World Food Programme (WFP) warehouse in Juba in July 2016 (S/2016/793, para. 39) and the levy of excessive fees on work permits for foreign non-governmental organization workers (S/2017/326, para. 89).

[3] Interview with General Thomas Cirillo Swaka, Addis Ababa, August 2017.

III. Regional developments

A. Peace initiatives

18. The regional peace and political reconciliation processes described in the Panel's report of 20 September 2017 (S/2017/789, para. 29) remain the primary international efforts to stem the violence and ultimately end the civil war in South Sudan. Since that report was published, diplomatic efforts by some regional States have intensified in an attempt to advance the establishment by IGAD of the high-level revitalization forum. The aim of the forum is to resuscitate the Agreement on the Resolution of the Conflict in the Republic of South Sudan of August 2015 (S/2015/654, annex), following the collapse of the transitional government in July 2016. Yet circumstances on the ground have evolved significantly since the Agreement was signed more than two years ago,[4] and while IGAD has embarked on wide-ranging consultations with numerous stakeholders in South Sudan, including the Government and opposition groups (Sudan People's Liberation Movement/Army (SPLM/A) in Opposition, the former detainees and other opposition leaders based outside South Sudan), the underlying rivalries, competing interests and differing preferences among regional States over how to resolve the conflict remain significant obstacles to peace.[5]

19. Participants in the pre-forum consultations have reiterated the challenges facing IGAD in its efforts to salvage the Agreement. Amid ongoing fighting, there remains deep disagreement among the parties regarding the underlying purpose of the high-level revitalization forum. There are questions as to whether the forum will make the Agreement more inclusive or merely lend legitimacy to a Government that, in the eyes of many opposition groups, is illegitimate. Moreover, there is a lack of clarity over how the forum will achieve its aims.[6] These factors present significant hurdles to tangible progress.

20. Government representatives and opposition groups, despite expressing support for the high-level revitalization forum in meetings with implementers,[7] have voiced reservations about its objectives and harbour low expectations of any meaningful outcomes.[8] The Government's attempts to exclude some opposition groups from the forum became evident following tensions over the modalities for the pre-forum consultations. In a letter dated 6 October 2017 from the Government to the Juba liaison office of IGAD, the Minister of Cabinet Affairs, Martin Elia Lomuro, stated

[4] Riek Machar remains in exile in South Africa, where he continues to exercise command and control over some elements of the Sudan People's Liberation Movement/Army (SPLM/A) in Opposition; defectors from SPLM/A in Opposition and the Government have formed new political movements, some with associated armed elements, and the conflict has spread to new areas, most notably the greater Equatoria region.

[5] In his briefing to the Security Council on 26 September 2017, the Chairperson of the Joint Monitoring and Evaluation Commission, Festus Mogae, indicated that he had no basis on which to report that any progress had been made in the implementation of the peace process. See S/PV.8056.

[6] Interviews with three South Sudanese former ministers and opposition members (Nairobi), a representative of South Sudanese civil society (Pretoria) and a South Sudanese neutral observer working with an international organization (Nairobi), September and October 2017.

[7] See, for example, Intergovernmental Authority on Development (IGAD), "IGAD started the consultation on the high-level revitalization forum with parties to the Agreement and estranged groups", 3 October 2017. Available from www.igad.int/programs/115-south-sudan-office/1667-igad-started-the-consultation-on-the-high-level-revitalization-forum-with-parties-to-the-agreement-and-estranged-groups.

[8] Interviews with three South Sudanese former ministers and opposition members (Nairobi), a representative of South Sudanese civil society (Pretoria) and several representatives of South Sudanese opposition groups (Nairobi and Kampala), July, August and September 2017.

that the idea to consult the parties separately implied that the Transitional Government of National Unity did not exist, that the Agreement was indeed dead and, further, that the revitalization forum was "intended to resuscitate it, as stated many times by anti-peace South Sudanese politicians and their supporters".[9] Similarly, a communiqué issued by the Sudan People's Liberation Movement (SPLM) in Opposition faction led by the First Vice-President, Taban Deng Gai, after a meeting of the Political Bureau Plus chaired by Deng Gai on 5 October 2017, outlined the readiness of the group to be consulted as members of a single Government, not as a separate party to the Agreement.

21. Representatives of former detainees currently serving in the Government, however, object to its interpretation of the approach taken by IGAD to the consultations and do not believe that separately consulting parties will undermine the implementation of the Agreement.[10] Other opposition groups, including the SPLM in Opposition faction led by Riek Machar and the Federal Democratic Party led by Gabriel Changson, have highlighted concerns regarding the Government's insistence that the forum is not a renegotiation of the peace agreement and that that notion has made its way into the narrative of both the Joint Monitoring and Evaluation Commission and the Council of Ministers of IGAD.[11] They have also expressed unease over what appears to be the Government's narrow understanding of the forum as a "progress review exercise" on the Agreement that should not revisit any of its provisions, despite the differing positions and interests of the other parties.

22. The parties' reservations about the revitalization forum notwithstanding, they continue to engage with its implementers, in large part out of fear of being labelled "spoilers" and possibly becoming subject to unilateral, regional and/or international sanctions. Since the Peace and Security Council of the African Union signalled its readiness on 22 September 2017 to sanction those denying peace in South Sudan, many South Sudanese stakeholders appear to have improved their formal, albeit not substantive, engagement with the forum.[12]

23. Aside from the high-level revitalization forum, other regional peace initiatives have made little progress. The efforts led by the President of Uganda, Yoweri Museveni, to reunify the SPLM have stalled, owing to a lack of political will by the Government of South Sudan (see para. 28 below).[13] Kenya hosted initial meetings of opposition parties during the week of 16 October 2017, in an effort to forge greater unity among a diverse set of these groups, but the path forward for the process

[9] See Sudan Tribune, "South Sudan peace partners split over IGAD consultation", 9 October 2017. Available from www.sudantribune.com/spip.php?article63713.

[10] Letter from the former detainees to the Juba liaison office of IGAD, 7 October 2017.

[11] The idea that the high-level revitalization forum is not a renegotiation has been consistently propagated by government ministers such as Martin Elia Lomuro and Ezekiel Lol Gatkuoth and is also a consistent part of the messages promulgated by the chairs of the Joint Monitoring and Evaluation Commission and of the Council of Ministers of IGAD. See Xinhuanet, "East Afric[a] bloc says [it] seeks to shore up South Sudan peace process", 25 July 2017; Radio Tamazuj, "Government says no review of peace deal decided at IGAD summit", 13 June 2017; and the statement by the Chairperson of the Joint Monitoring and Evaluation Commission to the Security Council on 20 July 2017 (see S/PV.8008).

[12] Interviews with confidential diplomatic sources and independent analysts, June, August and September 2017; and the communiqué of the 720th meeting of the Peace and Security Council of the African Union, held at the ministerial level on the situation in South Sudan, in New York on 20 September 2017 (para. 20 (vii)), available from www.peaceau.org/en/article/communique-of-the-720th-meeting-of-the-psc-at-the-ministerial-level-on-the-situation-in-south-sudan.

[13] Interviews with three South Sudanese former ministers and opposition members (Nairobi), a representative of South Sudanese civil society (Pretoria) and various South Sudanese opposition representatives (Nairobi and Kampala), July, August and September 2017.

remains unclear.[14] These additional forums, with their diverse backing and varying approaches to resolving the conflict, have made it easy for the opposition groups and the Government to continue to exploit the resultant lack of regional consensus through what may be termed "forum shopping".

B. Differing regional interests

24. Regional economic, security and political concerns continue to undermine consensus on how to resolve the conflict, as the Government and opposition groups are aware of regional actors' attachments to their own interests and exploit those attachments to their benefit. Uganda has been most directly involved in and affected by the war, with more than 1 million South Sudanese refugees now living there,[15] straining the country's infrastructure, security and economic stability. South Sudan is an important trading partner for Uganda, and the downward economic spiral in South Sudan as a result of the conflict has negatively affected Ugandan plans to attain middle-income economy status by 2020.[16] Yet Uganda has not maximized its leverage with South Sudan, as it could by, for example, refusing to allow arms shipments to the SPLA to transit through Ugandan territory, so as to press the Government to halt military operations and focus seriously on advancing an inclusive political dialogue. Furthermore, the Ugandan rivalry with Ethiopia for regional hegemony and influence within South Sudan has also affected the President's calculations: Uganda is more invested in the Kampala-led SPLM reunification process than in the IGAD-led high-level revitalization forum, which, according to Panel sources, is viewed by the Ugandan authorities as an Ethiopia-driven initiative.[17]

25. Similarly, Kenya has significant financial interests in South Sudan. In particular, the Kenyan (along with the Ugandan) banking and real estate sectors are key destinations for financial assets and laundered funds from South Sudan.[18] The Kenyan role in regional peacebuilding has diminished significantly owing to internal challenges associated with the elections in 2017. Nonetheless, mounting insecurity in bordering Eastern Equatoria, the resulting potential for increased refugee flows and the continued possibility of armed groups attacking and looting poorly secured Kenyan banks in South Sudan, in particular Kenya Commercial Bank and Ivory Bank branches, as occurred in Bentiu and Bor,[19] are strong motivations for Kenya to remain actively engaged in South Sudan.

26. The Sudan is seemingly more focused on other regional concerns, such as the impact of heightened tensions between Qatar and other Persian Gulf States, and preoccupied with securing the permanent lifting of some sanctions imposed by the

[14] Jason Patinkin, "South Sudan opposition groups meet in Kenya to 'harmonize voices'", Reuters, 16 October 2017.

[15] For the latest figures on the situation of South Sudanese refugees living in Uganda, see the information-sharing portal of the Office of the United Nations High Commissioner for Refugees (UNHCR). Available from http://data.unhcr.org/SouthSudan/country.php?id=229.

[16] See National Planning Authority of Uganda, "Roadmap to attaining middle income status for Uganda". Available from http://npa.ug/wp-content/uploads/ROADMAP-MIDDLE-INCOME-STATUS-FOR-UGANDA.pdf.

[17] Panel correspondence with international diplomats and regional political analysts.

[18] See, for example, the report of The Sentry, entitled "War crimes shouldn't pay: stopping the looting and destruction in South Sudan", September 2016.

[19] The looting of Kenya Commercial Bank and Ivory Bank branches in Bentiu occurred on 3 January 2014. The Bor branch of the Kenya Commercial Bank was looted on 26 December 2013.

United States.[20] Ethiopia is similarly focused on other pressing issues, notably the construction of the Grand Ethiopian Renaissance Dam on the Nile. The dam has escalated tensions over water rights between Ethiopia and Egypt, and the deepening ties between Egypt and South Sudan[21] have further complicated this rivalry.[22]

27. Owing in large part to those competing agendas and distractions, the Uganda-led SPLM reunification process, the Kenyan efforts with opposition groups and the high-level revitalization forum are neither complementary nor mutually reinforcing initiatives, despite assertions to the contrary.[23] Notwithstanding the two-month deadline recently set by IGAD for establishing the forum,[24] the Panel's view is that, absent consensus at the Head of State level within IGAD over how to structure and, ultimately, achieve the desired outcome of the forum, backed by credible punitive measures, including targeted United Nations sanctions against those who exercise command and control over forces on the ground, it is unlikely to succeed in putting the implementation of the Agreement back on track.[25]

C. Obstruction of peace efforts

28. The President of South Sudan and his loyalists have deliberately and consistently attempted to outmanoeuvre and frustrate regional and bilateral processes. A frequent tactic has been to introduce competing initiatives to divide stakeholder attention as a means to buy time to advance military objectives. In the SPLM reunification process led by the President of Uganda, for example, the President of South Sudan undermined the broader agenda by introducing a parallel process, purportedly seeking to mend his strained relationship with Rebecca Nyandeng, a former government minister and the widow of the SPLM founder, John Garang. Whether his efforts were genuine or not, he failed to co-opt Nyandeng but succeeded in frustrating the Ugandan efforts.[26]

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[20] The need for the Sudan to end destabilizing activities in South Sudan was an important precondition for the partial lifting, on 6 October 2017, of sanctions imposed by the United States of America on the Sudan. See United States Department of State, "Senior administration officials on Sudan sanctions special briefing", 6 October 2017. Available from www.state.gov/r/pa/prs/ps/2017/10/274678.htm.

[21] To date in 2017, there has been a warming of relations between South Sudan and Egypt. In January 2017, the President of South Sudan, Salva Kiir, embarked on a State visit to Egypt during which various bilateral issues were discussed with the President of Egypt, Abdel Fattah Al Sisi. This visit was followed by a donation of humanitarian aid from Egypt to South Sudan in June 2017. While presenting the items, the Assistant Foreign Affairs Minister of Egypt for Sudan and South Sudan, Ahmed Fadel Yaccoub, described the gesture as "a symbol of the close and historic ties between Egypt and South Sudan". See *Juba Monitor*, "Egypt donates humanitarian aid", 13 June 2017.

[22] Interviews with a former minister of South Sudan (Nairobi), a South Sudanese academic (Pretoria), an independent analyst (Addis Ababa) and members of the international diplomatic community in New York and the region, July and August 2017.

[23] Interviews with civil society actors, independent analysts and South Sudanese experts, September and October 2017.

[24] Radio Tamazuj, "IGAD team sets deadline for peace revitalization after meeting Kiir", 13 October 2017.

[25] Regional actors also convey divergent messages concerning the situation in South Sudan. Despite attempting to project a unified position on the exile of Riek Machar to South Africa, countries such as the Sudan, for example, insist that the rebel leader has a role to play in the search for peace in his country. The absence of a united voice has led the Chairperson of the Joint Monitoring and Evaluation Commission and other stakeholders to repeatedly advocate that actors speak with one voice. Multiple South Sudanese opposition groups share this view. Interviews with various South Sudanese opposition groups, July, August and September 2017; and the Chairperson's statement of 20 July 2017 to the Security Council (see S/PV.8008).

[26] Interviews with various members of the former detainees involved in the process, August 2017.

29. Since becoming First Vice-President, Taban Deng Gai has sought to marginalize his predecessor, Riek Machar, and project himself nationally and internationally as a legitimate and credible alternative.[27] His closest ally in the Government is the Minister of Petroleum, Ezekiel Lol Gatkuoth, a United States citizen who represented the SPLM in that country before South Sudan declared independence in 2011 and then aligned himself with Machar when the civil war began in 2013. Deng Gai and Gatkuoth have sided with the President in attempts to keep Machar isolated internationally, formed militias to attack SPLA in Opposition fighters on the ground, intimidated and silenced Machar's supporters and other government opponents and thwarted regional efforts to make the political process more inclusive.[28] During the Panel's meeting with Deng Gai, Gatkuoth and the Minister of Defence and Veterans' Affairs, Kuol Manyang Juuk, held in Juba on 12 September 2017, Deng Gai described the humanitarian and security situation on the ground as improving, despite overwhelming evidence to the contrary (S/2017/821, paras. 144–152),[29] while Gatkuoth echoed critiques of the high-level revitalization forum previously made by the President, Martin Lomuro and others, questioning the intent of IGAD and emphasizing that the Agreement should not be open for reinterpretation or renegotiation.

30. In its report of April 2017, the Panel highlighted actions by the National Security Service to clamp down on opposition activities in the region through intimidation, forced repatriation and kidnapping (S/2017/326, para. 38). Further investigations by the Panel indicate that the Service, under the direction of Lieutenant General Akol Koor Kuc, has continued to intimidate and harass opposition figures and dissidents in neighbouring countries. On 18 August 2017, South Sudanese security operatives in Kampala, working in cooperation with elements of the Ugandan security services, attempted to forcibly detain the deputy military spokesperson of the SPLA in Opposition, Gabriel Lam. A National Security Service officer, Joseph Ochora, attached to the South Sudanese embassy in Kampala engaged the services of five Ugandan security officers to carry out the operation, albeit unofficially.[30] Although the operation failed, its planning and attempted execution echo previous operations carried out by the Service abroad, such as the disappearance in January 2017 of two South Sudanese citizens in Nairobi: Aggrey Idri, a member of the SPLM/A in Opposition, and Dong Samuel Luak, a prominent South Sudanese human rights lawyer (S/2017/326, para. 39).

31. National Security Service operatives have also targeted political activists in the diaspora and journalists, including South Sudanese reporters. In one specific case, the Service blocked the passport renewal of John Tanza Mabusu, a South Sudanese journalist with Voice of America, based in Washington, D.C., alleging that his reporting of the conflict was "anti-Government".[31] Other international

[27] In his update to the President of the Security Council in June 2017, the First Vice-President, Taban Deng Gai, stated that "engagement of the ... Council with Riek Machar is tantamount to an insult to the misery and lost lives of innocent people who are victims of the barbaric acts of Riek Machar and his criminals". Radio Tamazuj, "Taban Deng urges United Nations Security Council to desist from talking to Machar", 5 June 2017.

[28] Interviews conducted with multiple opposition and government sources in Juba, Kampala and Nairobi, September and October 2017.

[29] According to the report cited (para. 145), Deng Gai's allied forces recruited about 207 of the 1,022 children used in combat in South Sudan between January and December 2016. That recruitment was part of a drive by Deng Gai to establish a militia to rival Machar's Sudan People's Liberation Army (SPLA) in Opposition forces and to conduct military operations in Upper Nile and Unity.

[30] Interviews with SPLA in Opposition leaders in Kampala, September 2017.

[31] John Tanza Mabusu's passport renewal remains blocked by the National Security Service. Interview with Tanza, October 2017.

journalists have been temporarily detained, deported or refused entry. In recent months, according to multiple sources, including four of the affected journalists, the Media Authority of South Sudan had either failed to approve or cancelled the accreditation of at least 20 foreign journalists, effectively banning them from the country. These journalists, many of whom have extensive experience reporting in South Sudan, represent some of the largest news organizations in the world. Interviews by the Panel with some of those journalists indicate that the Managing Director of the Media Authority, Elijah Alier Kuai, working under the direction of both the Minister of Information, Communication Technology and Postal Services (and official spokesperson for the Government of South Sudan), Michael Makuei Lueth, and the National Security Service Director, Akol Koor Kuc, has played a leading role in implementing restrictions on international journalists.[32]

32. In August 2017, a freelance journalist, Christopher Allen, was killed during fighting in Kaia, near the Ugandan border. According to opposition sources, he had been embedded with opposition forces during an attack on government positions.[33] Reports regarding the circumstances of his death have been conflicting, with SPLA in Opposition sources alleging that he had been deliberately targeted, despite his wearing identification indicating that he was a member of the press, an assertion that the Government has denied.[34] Makuei Lueth lent weight to the conclusion that Allen had been deliberately targeted, however, claiming that Allen was a rebel and that "he attacked the town together with the rebels and he was killed in the line of the rebels" before later contradicting his initial claims.[35]

33. On the opposition side, despite the assertion by the Machar-led faction of the SPLM in Opposition that it was ready to welcome political processes that would bring about peace, Machar and his followers have repeatedly rejected invitations to attend meetings with IGAD and other regional actors focused on ending the war. SPLM/A in Opposition sources told the Panel that they would not be able to join such processes as long as their leader was still held in South Africa.[36] Yet Machar met a delegation from IGAD in Pretoria on 4 October 2017 to discuss the high-level revitalization forum, in a meeting described by his group as "very successful".[37] Machar's sudden reversal is consistent with past patterns during negotiations in South Sudan, where participation — even if the process is flawed — is the price to pay to avoid being labelled a spoiler and inviting isolation from the region and the international community.

[32] The Panel spoke with five journalists about their experiences with regard to restrictions on and impediments to reporting in South Sudan. The role of National Security Service personnel and Michael Makeui Lueth in those restrictions was a consistent point in all the accounts provided to the Panel.

[33] SPLA in Opposition statements to journalists, as noted in John Bowden, "American journalist killed in South Sudan", *Hill*, 26 August 2017; and Panel interview with SPLA in Opposition sources, Nairobi, September 2017.

[34] Nabeel Biajo, "South Sudan 'regrets' death of American journalist", Voice of America News, 30 August 2017.

[35] Ibid.

[36] Interviews conducted with multiple SPLM/A in Opposition sources, Nairobi, Kampala and Pretoria, July, August, September and October 2017.

[37] Sudan Tribune, "Machar's meeting with IGAD revitalization team 'fruitful' official," 6 October 2017.

IV. Ethnic violence and the humanitarian crisis

A. Denial of food assistance in Wau as a weapon of war

34. Throughout 2016 and 2017, the SPLA counter-insurgency campaign in Wau and in the surrounding areas in Western Bahr el-Ghazal has targeted civilians on ethnic grounds, internally displacing over 100,000 people,[38] destroying assets and livelihoods and precipitating a major humanitarian emergency (S/2016/793, para. 16). As aid agencies have attempted to mount a response to alleviate and prevent the further deterioration of humanitarian conditions, the Government has systematically denied access to the population in need. It is the view of the Panel that the Government has, during much of 2017, deliberately prevented lifesaving food assistance from reaching some citizens. Such actions amount to using food as a weapon of war, with the intent to inflict suffering on civilians whom the Government views as opponents to its agenda. The denial of aid has caused extreme food insecurity among large sections of the population, the documented outcome being malnutrition and death by starvation, in particular in the greater Bagari area in Wau County.[39]

35. Political and economic calculations are the driving force behind decades of ethnic violence between the Fertit and Dinka communities in and around Wau.[40] The United Nations, human rights researchers and journalists have all documented human rights abuses perpetrated against Fertit civilians by the SPLA and its associated Dinka militias.[41] From December 2015 to August 2017, SPLA forces in Wau County were under the command of Major General Thayip (Thiab) Gatluak Taitai.[42] The Panel has previously outlined his responsibility for targeting civilians along ethnic lines in southern Unity in 2015 (S/2016/70, para. 48). SPLA forces in Wau County fall under the SPLA Sector 1 Commander, a position held until May 2017 by Lieutenant General Gabriel Jok Riak.[43] The Committee sanctioned Jok Riak on 1 July 2015 for his role in the expansion of the conflict through breaches of the Agreement on Cessation of Hostilities between the Government of the Republic of

[38] As an indicator of displacement, as at 30 September 2017, 101,337 people had been internally displaced across Western Bahr el-Ghazal. See Office for the Coordination of Humanitarian Affairs, "South Sudan: humanitarian snapshot", September 2017. Available from https://reliefweb.int/sites/reliefweb.int/files/resources/SS_20171011__Humanitarian_Snapshot_September.pdf.

[39] This assessment draws on numerous sources with extensive, first-hand knowledge of the situation, who spoke with the Panel on condition that they remained confidential. Interviews conducted by the Panel in Juba in September 2017 and by email and telephone in September and October 2017.

[40] Economic tensions have centred on land, as Dinka cattle herders move with their cattle from nearby areas in search of fertile grazing lands, impinging on Fertit farmland. In terms of political tensions, the Fertit have felt marginalized by the Juba regime.

[41] United Nations News Centre, "South Sudan: UN peacekeepers continue protecting civilians amid tense situation in town of Wau", 20 December 2012 (available from www.un.org/apps/news/story.asp?NewsID=56609#.Wgn6lVtSxph), and "Accountability for rights abuses in South Sudan 'more important than ever', says senior UN official", 23 April 2017 (available from www.un.org/apps/news/story.asp?NewsID=56609#.Wgn6lVtSxph). Human Rights Watch, "South Sudan: civilians killed, tortured in western region", 24 May 2016, and Richard Nield, "Wau displaced tell of death and horrifying escapes", Al Jazeera, 21 December 2016.

[42] Thayip (Thiab) Gatluak Taitai was appointed Commander of the local Division 5 of the SPLA in December 2015 and rotated out in August 2017. Shortly after his appointment, additional Dinka troops were deployed to the area from Northern Bahr el-Ghazal and Warrap.

[43] See the list of sanctioned individuals, entities and other groups, established and maintained pursuant to Security Council resolution 2206 (2015), available from https://scsanctions.un.org/fop/fop?xml=htdocs/resources/xml/en/consolidated.xml&xslt=htdocs/resources/xsl/en/southsudan.xsl.

South Sudan and the Sudan People's Liberation Movement/Army (in Opposition) of January 2014.

36. SPLA forces began targeting Fertit civilians in and around Wau County in early 2016, as a counter-insurgency tactic during the campaign against SPLA in Opposition forces. In April 2016, SPLA forces deployed Mi-24 attack helicopters in Wau town, an action that the Panel had previously concluded would not have occurred without approval from senior South Sudanese officials, including the then SPLA Chief of General Staff, General Paul Malong (S/2016/793, para. 9).[44] On 24 June 2016, violence broke out in Wau town, as SPLA forces attacked civilians living in mainly Fertit neighbourhoods (S/2016/793, para. 16),[45] displacing some 80,000 people both within the town and to the opposition-controlled greater Bagari area to the south and south-west.[46] Civilians in the greater Bagari area experienced some of the worst fighting, as SPLA elements engaged in extrajudicial killings, committed widespread sexual violence, looted homes and livestock and destroyed crops.[47]

37. In April 2017, SPLA forces conducted violent reprisals in Wau for the killing of two of its officers in an ambush outside the town.[48] The violence gave rise to a second major wave of displacement, leading to an additional 22,000–25,000 people being driven from their homes, as estimated by humanitarian agencies.[49] Fighting was reported outside Wau town as recently as July 2017 (S/2017/784, para. 23),[50] but UNMISS indicated a slight reduction in violence in mid-September.[51] At the start of October, the newly appointed Governor of Wau, Angelo Taban Biajo, publicly apologized over "mistakes" committed by previous government officials, referring to the violence against civilians committed by SPLA forces under Jok Riak's command.[52] However, the Panel has seen no evidence of any meaningful steps taken by the SPLA senior command or the civilian authorities towards

[44] See also Radio Tamazuj, "Eyewitnesses: government helicopters hovered over Wau town after reported clashes", 7 April 2016.

[45] Interviews conducted with confidential human rights sources, in Nairobi and by telephone, between August and November 2016, and Human Rights Watch, "South Sudan: civilians killed, tortured in western region", 24 May 2016.

[46] See International Organization for Migration, "Fighting in Wau, South Sudan, triggers spike in humanitarian needs", press release, 28 June 2016, available from www.iom.int/news/fighting-wau-south-sudan-triggers-spike-humanitarian-needs, and United Nations Children's Fund (UNICEF), "South Sudan: Wau humanitarian situation update", No. 3, 29 June 2016, available from https://reliefweb.int/sites/reliefweb.int/files/resources/UNICEF%20South%20Sudan%20Wau%20Humanitarian%20Situation%20Update%20%233%20-%2029%20June%202016.pdf.

[47] Confidential humanitarian report on file with the Panel.

[48] Three WFP contractors were killed in the violence. See WFP, "WFP condemns killing of three workers in Wau, South Sudan", news release, 14 April 2017, available from www.wfp.org/news/news-release/wfp-condemns-killing-three-workers-wau-south-sudan, and Radio Tamazuj, "Death toll in Wau violence rises to 31", 21 April 2017.

[49] REACH, "Wau County: food security and livelihood profile", May–July 2017. Available from https://reliefweb.int/sites/reliefweb.int/files/resources/reach_ssd_food_security_and_livelihoods_profile_wau_county_may_to_july_2017.pdf.

[50] The President declared a state of emergency for Wau in July 2017, following clashes between rival Dinka groups. S/2017/789, para. 12.

[51] United Nations Mission in South Sudan (UNMISS), "Wau could provide 'model' for return home of South Sudan's displaced people", press release, 14 September 2017. Available from unmiss.unmissions.org/wau-could-provide-"model"-return-home-south-sudan's-displaced-people.

[52] Radio Tamazuj, "New Wau Governor apologizes to citizens," 3 October 2017.

ensuring accountability for abuses committed by SPLA units during the military campaign.[53]

38. While humanitarian conditions have steadily deteriorated for civilians in and around Wau, humanitarian operations have also been regularly disrupted.[54] Based on its investigations, the Panel concludes that the Government has regularly denied humanitarian actors access to certain parts of the population, in particular in the areas outside Wau town. The greater Bagari area is especially noteworthy for the persistent and systematic nature of the Government's access denials and for the catastrophic humanitarian conditions that have resulted.

39. Even before the major spikes of violence of June 2016 and April 2017, civilians in the greater Bagari area faced severe food insecurity. In May 2016, a humanitarian assessment mission found that some 21,400 civilians had been displaced by the violence of February 2016. The assessment mission observed burned-out homes and villages and people eating wild roots and leaves, as their food stocks had been looted or depleted.[55] Notwithstanding this food insecurity and the foreseeable impact on civilians, SPLA forces — under the command of Jok Riak — only sporadically allowed food distributions to the area between mid-June 2016 and August 2017.[56] During one such rare humanitarian mission in January 2017, internally displaced persons reported that they were living in the bush, as they feared attacks on towns, and women reported sexual violence on the road to Wau town and at checkpoints. Owing to food scarcity, many were eating only once a day and relying on wild plants.[57] Nonetheless, the Government did not allow food

[53] The Government sent an "investigation committee" to Wau that produced a report on the June 2016 violence. On 25 July 2016, two SPLA soldiers were executed for killing civilians in the June 2016 violence. In April 2017, the President ordered the perpetrators of violence to be arrested. However when the Human Rights Director of UNMISS visited two weeks after the violence, he found that no one had been detained. The Panel has sent a letter to the Government as part of the preparation of the present report, to verify whether any further steps have been taken. See Rick Gai Kok and others, "Report of the investigation committee on Wau incident of 24–26 June 2016", report submitted to the President of South Sudan, 1 August 2016, available from https://radiotamazuj.org/uploads/media/58efad0639319.pdf; Radio Tamazuj, "Two SPLA soldiers executed by firing squad for killings in Wau", 25 July 2016; Africanews, "South Sudan President Kiir orders arrest of perpetrators of recent violence", 12 April 2017; and UNMISS, "Accountability for abuses remains one of biggest challenges in South Sudan says UNMISS Human Rights Director", interview with the Human Rights Director, 23 April 2017, available from https://unmiss.unmissions.org/accountability-abuses-remains-one-biggest-challenges-south-sudan-says-unmiss-human-rights-director.

[54] For example, from April to July 2017, humanitarian aid agencies suspended food distributions outside the Wau site for the protection of civilians, owing to insecurity, thus significantly limiting the geographical reach of assistance. See REACH, "Wau County: food security and livelihood profile", May–July 2017.

[55] See Office for the Coordination of Humanitarian Affairs, "Inter-agency rapid needs assessment report: greater Baggari area", 20 May 2016 available from https://reliefweb.int/sites/reliefweb.int/files/resources/160623_baggari_irna_report.pdf; and "Humanitarian Bulletin: South Sudan", No. 7, 30 May 2017, available from https://reliefweb.int/sites/reliefweb.int/files/resources/160530_OCHA_SouthSudan_hb7.pdf.

[56] See Office for the Coordination of Humanitarian Affairs, "Humanitarian Bulletin: South Sudan", No. 3, 17 February 2017, available from https://reliefweb.int/sites/reliefweb.int/files/resources/170217_OCHA_SouthSudan_Humanitarian_Bulletin_3.pdf; and "South Sudan: humanitarian access snapshot", August 2017, available from https://reliefweb.int/sites/reliefweb.int/files/resources/SS_20170909_Access_Snapshot_August_final_0.pdf.

[57] See Office for the Coordination of Humanitarian Affairs, "Humanitarian Bulletin: South Sudan", No. 3, 17 February 2017.

distributions by road until 11 March 2017,[58] blocking humanitarian actors from reaching vulnerable populations by restricting aid agencies' movements, intimidating and harassing agency staff at checkpoints and fostering a climate of general insecurity that rendered the delivery of assistance impossible.[59] Subsequently, access was allowed only by means of far more costly air operations, thereby further exacerbating the food insecurity crisis.[60]

40. In August 2017, for the first time in over a year, the Government eased access restrictions to the greater Bagari area, and humanitarian organizations were able to provide a broad distribution of food and lifesaving assistance to more than 12,000 people.[61] Internally displaced persons described forcible relocation by government forces, resulting in dozens to hundreds of people dying from starvation during repeated marches on foot to safer locations. The assessment team documented burned and looted villages and destroyed crops[62] and noted that internally displaced persons had no tools or seeds, leaving them unable to use the August–September rainy season for cultivation.[63] Several humanitarian organizations, including the World Food Programme,[64] witnessed significantly high levels of malnutrition, with high rates of severe acute malnutrition.[65] Another assessment mission found that 164 young children and older persons had died from hunger and disease between January and September 2017.[66]

[58] See Office for the Coordination of Humanitarian Affairs, "South Sudan: humanitarian access snapshot", March 2017, available from https://reliefweb.int/sites/reliefweb.int/files/resources/170407_ssd_access_snapshot_march.pdf; and UNHCR, Operational update on South Sudan, No. 5, 1–15 March 2017, available from https://reliefweb.int/sites/reliefweb.int/files/resources/UNHCR%20SSD%200perational%20Update%20No%2005%20-%201-15%20March%202017.pdf.

[59] Throughout November and December 2016 and January 2017, there were multiple reports of aid workers being denied access to areas outside Wau town. See Office for the Coordination of Humanitarian Affairs, "South Sudan: humanitarian access situation snapshot", November and December 2016 and January 2017. Available from https://reliefweb.int/sites/reliefweb.int/files/resources/ss_161207_november_accesssnapshot_0.pdf; https://reliefweb.int/sites/reliefweb.int/files/resources/170125_december2016_accesssnapshot.pdf and https://reliefweb.int/sites/reliefweb.int/files/resources/170216_access_snapshot_january_2017.pdf.

[60] See Office for the Coordination of Humanitarian Affairs, "Humanitarian Bulletin: South Sudan", No. 15, 10 October 2017. Available from https://reliefweb.int/sites/reliefweb.int/files/resources/SS_171010_OCHA_SouthSudan_Humanitarian_Bulletin15.pdf.

[61] From conversations with confidential sources from the United Nations and humanitarian organizations, the Panel concludes that the situation with regard to access has significantly improved at this time. The Panel will monitor the situation to confirm whether this is a sustained trend. See also Office for the Coordination of Humanitarian Affairs, "South Sudan: humanitarian access snapshot", August 2017; and "Humanitarian Bulletin: South Sudan", No. 15, 10 October 2017.

[62] In 2017 specifically, crops were destroyed during cultivation time, and thousands forced to flee before they could harvest, further exacerbating food insecurity.

[63] REACH, "Wau County: food security and livelihood profile", May–July 2017.

[64] This was the first time WFP and its partners responded in the greater Bagari area since operations had to be suspended following the detaining of WFP staff in late April 2017. See WFP, "South Sudan: situation report, No. 195, 22 September 2017. Available from https://reliefweb.int/sites/reliefweb.int/files/resources/WFP%20South%20Sudan%20Situation%20Report%20%23195%20-%2022%20September%202017.pdf.

[65] See Office for the Coordination of Humanitarian Affairs, "Humanitarian Bulletin: South Sudan", No. 15, 10 October 2017; and UNICEF, "South Sudan: humanitarian situation report", 30 September 2017, available from www.unicef.org/appeals/files/UNICEF_South_Sudan_Humanitarian_SitRep_30_Sept_2017.pdf.

[66] Confidential information seen by the Panel. The Panel has assessed the information and, based on the first-hand knowledge of the source and established provenance of the data, deems the report to be highly credible.

B. Ethnically targeted depopulation in Upper Nile and the threat of forced relocation

41. The Panel has documented the Government's repeated offensives against Johnson Olony's Agwelek militia on the west bank of the Nile since 2015, as well as violence against and forced displacement of Shilluk civilians in the area by SPLA forces (S/2017/789). In interviews conducted by the Panel at the end of August 2017, humanitarian aid workers estimated that fewer than 17,000 Shilluk remained in Upper Nile outside the Malakal protection of civilians site, concentrated mainly in camps for internally displaced persons in and around Aburoc. These people have fled multiple times to escape fighting moving across Upper Nile, as SPLA forces pushed the Agwelek militia from Malakal towards Kodok. Humanitarian agencies have tried to move their services in response to each new wave of displacement.[67]

42. Conflict has intensified on the west bank of the Nile since January 2017, as SPLA forces have steadily pushed opposition forces northward, taking control of the main population centres in Panyikang and Fashoda counties. This has been reflected in the large number of people fleeing across the northern border into the Sudan. Between 1 January and 15 September 2017, 86,297 refugees fled into the Sudanese States of Southern Kordofan and White Nile, which border Fashoda and Panyikang.[68] In April 2017, such offensives culminated in SPLA forces taking control of Kodok. By then, much of the population had left the area in anticipation of that offensive, many having moved towards Aburoc or into the Sudan.[69]

43. On 11 September, SPLA units clashed with SPLA in Opposition factions associated with Riek Machar and Johnson Olony (SPLA in Opposition/Agwelek) near the village of Adodo, 15 km south of Aburoc. Government forces, together with members of the Shilluk Gar community who recently defected from Machar's SPLA in Opposition faction, allegedly attacked and then captured Adodo from SPLA in Opposition/Agwelek forces. On 12 September, fighting reached Aburoc and SPLA forces took control of the internally displaced persons camps. Given the fighting around Adodo, the local population and humanitarian aid workers anticipated the impending offensive, and the vast majority of civilians immediately left Aburoc to take refuge in the bush or in neighbouring villages. More than 30 humanitarian workers evacuated to Malakal.[70]

44. On 14 September, the Governor of Fashoda, Altheb Okij,[71] issued an ultimatum to civilians and humanitarian actors to leave Aburoc and move to Kodok within the coming seven days.[72] The humanitarian aid community has interpreted the order as an attempt to forcibly return internally displaced persons to their homes, in violation of the Guiding Principles on Internal Displacement.[73] The Government claimed that it would be in a better position to provide security in

[67] See Medecins sans frontieres, "South Sudan: continuing displacement is the new reality for many along northern frontier", press release, 6 October 2017. Available from www.msf.org/en/article/south-sudan-continuing-displacement-new-reality-many-along-northern-frontier

[68] UNHCR, "Sudan: refugees from South Sudan", 15 October 2017. Available from http://data.unhcr.org/SouthSudan/country.php?id=204

[69] Panel interviews with confidential sources from the United Nations and humanitarian organizations, by telephone and in Juba, September 2017.

[70] Ibid.

[71] Altheb Okij, a former right hand of Johnson Olony, was recently appointed to his position by the First Vice-President.

[72] It is important to note that local officials and the SPLA have previously attempted to restrict humanitarian access to populations in need in Upper Nile. See S/2016/70 and S/2017/326.

[73] Panel interviews with confidential humanitarian aid sources, Juba, September 2017, and correspondence with confidential humanitarian aid sources, October 2017.

Kodok, as it anticipated retaliatory attacks from the Machar faction of the SPLA in Opposition on Aburoc and the surrounding areas, and told the original inhabitants of Kodok and those with relatives in that town to return to their homes. For the rest, who came mainly from Panyikang County and Wau Shilluk, they indicated that they would set up a camp in Golo village, about 2 km north of Kodok town. The 30 km journey from Aburoc to Kodok is hazardous, given the possibility of landmines along the road. Under pressure from the United Nations and humanitarian agencies, the Fashoda authorities appear to have rescinded the Governor's ultimatum and, in the short term at least, agreed to a civilian and humanitarian presence in Aburoc. Humanitarian aid workers are currently providing services to about 15,000 civilians in Aburoc and the surrounding areas.[74]

C. Land grabbing and natural resource exploitation in the Equatorias

45. Counter-insurgency operations conducted by SPLA forces and allied militias in the greater Equatoria area in 2016 and 2017 have displaced hundreds of thousands of civilians, including more than 400,000 internally and several hundred thousand more as refugees in Uganda. Equatorians have described a pattern of abuses by SPLA forces and the allied ethnic Dinka militia known as Mathiang Anyoor, including killings, arbitrary arrest and detention, rape and other forms of sexual violence, torture and the looting and destruction of property (S/2016/963 and S/2017/326).[75]

46. Opposition forces operating in the Equatorias, notably the Machar faction of the SPLA in Opposition and the National Salvation Front led by the former SPLA Deputy Chief of Staff, General Thomas Cirillo Swaka, appear not to receive regular supplies of additional arms and ammunition and rely largely on materiel captured from clashes with the SPLA and its militia proxies. With the SPLA and the Mathiang Anyoor militia having pushed many Equatorians from their homes, and given the lack of resources limiting the ability of opposition groups to conduct operations, direct military confrontations between SPLA and opposition forces have been sporadic. This has not, however, provided relief for the civilians who remain, as SPLA elements who have not received a salary in months and opposition forces lacking resupply continue to prey on civilians. The pervasive insecurity around Yei, Central Equatoria, still largely prevents people from gaining access to their farms, while SPLA soldiers loot crops and sell them at inflated prices. Faced with the constant threat of violence, the civilians left in Yei are effectively trapped inside the town, with limited access to food and medical treatment.[76]

47. With large swathes of the greater Equatoria area depopulated, heavily armed Dinka cattle herders are driving large herds into areas whence civilians had fled. Reports provided to the Panel indicate that some of those herds belong to senior

[74] See Medecins sans frontieres, "South Sudan: continuing displacement is the new reality for many along northern frontier".

[75] See also UNMISS, "Human rights violations and abuses in Yei, July 2016–January 2017". Available from https://unmiss.unmissions.org/sites/default/files/report_human_rights_violations_and_abuses_in_yei_july_2016_to_january_2017_0.pdf; Human Rights Watch, *"Soldiers Assume We Are Rebels": Escalating Violence and Abuses in South Sudan's Equatorias* (2017); and Amnesty International, "'If men are caught, they are killed, if women are caught, they are raped' South Sudan — atrocities in Equatoria region turn country's breadbasket into a killing field" (London, 2017).

[76] Two confidential sources. Documents held on file with the Panel. There is limited information about conditions for civilians in areas under opposition control, as few international organizations have consistent access to these areas.

figures in Juba.[77] Equatorians displaced by the violence have told international investigators that they viewed the increased presence of Dinka and their cattle as a "land grab".[78] On 23 October 2017, the State-owned television network, South Sudan Broadcasting Corporation, reported that the President had issued an order instructing SPLA forces to ensure the withdrawal of pastoralists and their cattle from the Equatorias.[79]

48. In addition to grazing lands, the Equatorias are rich in natural resources that armed groups have historically exploited to finance military operations. During the civil war against the Government in Khartoum, the gold and teak trades were a source of SPLA funding.[80] With the South Sudanese economy in a downward spiral and opposition groups lacking an external patron, both the SPLA and the SPLA in Opposition have sought ways to benefit from gold and teak (a valuable hardwood found in relative abundance, particularly in Central and Western Equatoria). During its visit to Juba in September, the Panel received eyewitness reports of SPLA units guarding harvested teak trees near Lainya, Central Equatoria, where the hardwood trade in that area is centred. According to local community sources, teak traders pay SPLA in Opposition units for security in the forests where they harvest the teak, then pay protection money to SPLA units to move the harvested wood by road to Uganda, where it is exported.[81] While teak companies are critical to local economies, where jobs are scarce, local officials have expressed concern over the weak oversight and increasingly haphazard regulation of the industry, which create opportunities for illicit trading by armed groups. The Governor of Yei River, David Lokonga Moses, has twice suspended teak logging operations in 2017 — in July and in October — citing the need for more coherent management and oversight of the sector.

49. The Panel has also received multiple reports of the country's increasing role in regional gold smuggling. As with teak, gold was an important source of revenue for the SPLA during the civil war with the Sudan.[82] While two of the largest gold mining companies, United Kingdom-based Equator Gold and South Africa-based New Kush Exploration and Mining, have reportedly ceased formal exploration owing to insecurity, artisanal mining continues on a significant scale in many areas, including to the south-east of Yei and to the south and west of Bungu in Central Equatoria, to the south-east of Kapoeta in Eastern Equatoria along the border with Uganda and Kenya, and in smaller pockets of Western Equatoria, Jonglei and Upper Nile.[83] One assessment from 2016 estimated that as many as 60,000 people may be involved in artisanal mining.[84] Some sources have reported that some of the

[77] Interviews with confidential sources from the United Nations and non-governmental organizations, Juba, September 2017.

[78] Interviews with UNMISS, humanitarian and regional analysts, Juba, September 2017. One local SPLA commander told a regional analyst that he was unable to respond to complaints against cattle herders unless he had approval from Juba.

[79] Radio Tamazuj, "Kiir orders pastoralists to leave five Equatoria states", 25 October 2017.

[80] David K. Deng, "The new frontier: a baseline survey of large-scale land-based investment in Southern Sudan", Norwegian People's Aid. Available from https://reliefweb.int/report/sudan/new-frontier-baseline-survey-large-scale-investment-southern-sudan.

[81] Two confidential sources. Documents held on file with the Panel.

[82] Cortaid, "Mining in South Sudan: opportunities and risks for local communities — baseline assessment of small-scale and artisanal gold mining in central and eastern Equatoria states, South Sudan", January 2016. Available from www.cordaid.org/nl/wp-content/uploads/sites/2/2016/03/South_Sudan_Gold_Mining_Report-LR_1.pdf.

[83] Email correspondence between the Panel and a regional expert on natural resources, October 2017. See also Okech Francis, "Economic chaos fuels gold mining rush in Africa's newest nation", Bloomberg, 5 July 2017. For a map of artisanal mining areas, see also Cordaid, "Mining in South Sudan", January 2016.

[84] See Cortaid, "Mining in South Sudan", January 2016.

country's gold is likely being sold through Uganda.[85] However, a lack of transparency and robust oversight in the gold industries of both South Sudan and Uganda prevents proper assessment. As government revenues from oil continue to be severely limited, the importance of gold exploitation and smuggling as a source of revenue to fund ongoing military operations is likely to increase.

V. Elections and the crisis of government legitimacy

50. As the Panel highlighted in its most recent 120-day report (S/2017/789), the Government continues to push the development of a timetable for elections as an objective of the high-level revitalization forum, despite the pervasive insecurity in South Sudan. It views elections as an opportunity to secure legitimacy for itself in the face of the collapse of the Agreement on the Resolution of the Conflict in the Republic of South Sudan, mounting challenges from opposition groups and international condemnation for its continued pursuit of a military solution to the conflict. Among the States members of IGAD, Uganda has been the most forward-leaning in pressing for elections, reinforcing the view of many opposition groups that the country's President's vision for an end to the conflict is to maintain the SPLM-led status quo.[86]

51. If the drive towards elections gathers momentum, the international community, and UNMISS in particular, will face a stark choice between supporting a process that many South Sudanese will view as illegitimate — and one that is likely to lead to the further violent fracture of South Sudan along ethnic lines — or denying support for the process and deepening the antipathy between the Government and the United Nations.

VI. Arms

52. In September 2017, the Panel examined 50 weapons and over 3,000 rounds of ammunition that had been seized by UNMISS from individuals prior to their entry into the protection of civilian sites in the wake of the fighting between government and opposition forces in July 2016. The weapons represent a broad range of manufacturing sources and ages and are consistent with weapons stocks previously observed and documented by arms experts in South Sudan (see annex I).[87] The Panel is awaiting responses from some of the manufacturers of those weapons to establish how and when they entered the country.

53. In coordination with the Panel of Experts on the Sudan, the Panel is tracing the source of an armoured vehicle captured by opposition forces from the Government during combat operations near Maiwut in July 2017 (S/2017/789, para. 33). The vehicle matches similar armoured vehicles operating in the Sudan that had been

[85] Although Uganda is not a major gold producer, official statistics from the Bank of Uganda show a nearly tenfold increase in gold exports from 2015 ($36 million) to 2016 ($340 million), with much of the gold destined for the United Arab Emirates. In its report of June 2017, entitled *Under-mined: How Corruption, Mismanagement and Political Influence is Undermining Investment in Uganda's Mining Sector and Threatening People and Environment*, Global Witness demonstrates that gold from South Sudan is likely to be transiting through Uganda.

[86] Interviews with participants in the Uganda SPLM reunification process.

[87] Panel discussion with international arms experts and a review of arms reports, including Conflict Armament Research, "Dispatch from the field: weapons and ammunition airdropped to SPLA-IO forces in South Sudan — equipment captured by the Sudan People's Liberation Army in Jonglei State in November 2014" (London, 2015). Available from www.conflictarm.com/wp-content/uploads/2015/06/Weapons_and_ammunition_airdropped_to_SPLA-IO_forces_in_South_Sudan.pdf.

traced to a supplier in Dubai, United Arab Emirates, by the Panel of Experts on the Sudan. The Panel has contacted the companies involved in that transaction and is seeking additional information on the procurement of the vehicles.

54. The Panel also received information, including documentary evidence, that a cargo flight containing "31 tons of weapons (including AK-47 rifles, spare magazines, bayonets and related instruments) and ammunition" arrived in Entebbe, Uganda, on 29 August 2017, with Bosasy Logistics listed as the consignee (see annex II). Panel sources claim that these weapons were destined for onward shipment to Juba.[88] The Panel has received further documentation from the relevant authorities in the country of origin of the weapons, including the end-user certification, serial numbers of the weapons and batch numbers of the ammunition.[89] This information will aid in monitoring any future transfer of these weapons to South Sudan.

55. The Panel continues to investigate reports of weapons being supplied to opposition groups in South Sudan. Two independent sources have claimed that the Agwelek forces in Upper Nile received arms shipments in September and October 2017. The Panel does not have information that enables it to independently establish the veracity of these reports. Opposition commanders in the field with whom the Panel has spoken continue to claim that they have received no resupply and point to the significant military gains made by government forces in 2017 as support for that claim.[90] The lack of arms supply has motivated attacks on government outposts, particularly in the Equatorias, as various opposition groups seek to arm themselves from government stockpiles.[91]

VII. Conclusion

56. The conflict in South Sudan, soon to enter its fifth year, continues with little sign of restraint by the main belligerents, particularly the Government. The Panel has reviewed reports and conducted interviews with witnesses indicating that the senior leadership of the SPLA and the National Security Service, with the knowledge of the President, is overseeing military operations that are using food as a weapon and also forcibly displacing civilians. Two areas of the country in particular, the western bank of the Nile in Upper Nile State and Bagari County near Wau, have seen civilians targeted as a deliberate tactic. In the case of Bagari, the result has been death by starvation and disease for at least 164 children and older persons.

57. The continued attacks on civilians and military operations throughout the country clearly show that there is still no serious will for peace other than through

[88] Two high-ranking South Sudanese military sources independently brought the shipment to the attention of the Panel. These sources have provided information on arms shipments that have proved accurate in the past. The roles of Uganda and Bosasy Logistics in previous arms shipments to South Sudan have been documented in previous Panel reports (S/2016/70 and S/2016/963). The August 2017 shipment was subsequently discussed in Bulgarian media articles raising concerns about the oversight of arms shipments. See, for example, "Risky shipment of Bulgarian weapons for Uganda might reach South Sudan: the Government assures that the Bulgarian arms trafficking company and its Russian partners won't lie this time around", 26 August 2017. Available from https://bivol.bg/en/risky-shipment-of-bulgarian-weapons-for-uganda-might-reach-south-sudan.html.

[89] Official correspondence between the Panel and the Government of Bulgaria, October 2017, on file with the Panel.

[90] This assessment draws on interviews conducted in October 2017 with opposition sources, including senior commanders.

[91] Interviews with opposition commanders, Addis Ababa, September 2017.

the pursuit of military victory. This is most clearly true of the President, the First Vice-President and other members of the Government named herein. Despite regional efforts to address the worsening situation for the majority of South Sudanese, the lack of serious engagement and, in some cases, the outright undermining of peace initiatives is likely to continue until appropriate measures to remove spoilers, including targeted sanctions, are implemented.

VIII. Recommendations

58. The Panel makes the following recommendations:

(a) That, to demonstrate the Security Council's resolve to support an inclusive and sustainable peace in South Sudan, the Committee designate those responsible for the actions and policies that threaten the peace, security and stability of South Sudan, as defined in paragraphs 9 and 10 of resolution 2290 (2016). In addition to the confidential annex presented by the Panel to the Committee in 2016, the Panel has provided evidence in the present report, as well as in its previous reports (S/2016/70, S/2016/793, S/2016/963, S/2017/326 and S/2017/789), regarding multiple individuals responsible for or complicit in the actions and policies described in paragraph 9 of the resolution, including those responsible for the conditions that have resulted in the unprecedented humanitarian crisis, including famine. Statements of case recommending the possible listing of individuals in that category will be submitted for consideration in a supplemental document to the Committee;

(b) That, to demonstrate the Security Council's resolve to support an inclusive and sustainable peace in South Sudan and to prevent the continuing large-scale human rights violations that the Panel has determined are directly related to the supply of arms and ammunition to State and non-State actors, the Council impose an embargo on the supply, sale or transfer of arms and related materiel to South Sudan. The Panel reiterates its recommendations for the modalities for the implementation of such an embargo as outlined in paragraphs 84 (d), (e) and (g) of its interim report for 2015 (S/2015/656). In the Panel's assessment, an arms embargo is technically feasible and would have a positive impact on the political and security environment;

(c) That the Security Council request UNMISS to conduct an investigation and report to the Council on the situations in the greater Bagari area and Upper Nile with a view to establishing whether atrocity crimes may have been committed against civilians in those areas.

Annex I Examination of weapons

In September 2017, the Panel examined 50 weapons held by UNMISS in Juba. This represents a sample of weapons used during the fighting between the government and opposition in July 2016. It is probable that most of these weapons were in the possession of opposition forces given that they were seized from combatants as they fled the fighting in Juba.

The following table summarises the weapons examined by the Panel:

Number	Description
42	AK-pattern variants – 7.62mm
4	Galil assault rifles (2 x model ACE 31, 2 x model ACE 32) – 7.62mm
2	CQ "M16-type" assault rifles – 5.56mm
1	PKM light machine gun – 7.62mm
1	RPG Launcher (no manufacturing marks, likely deliberately removed)

The weapons' year of manufacture ranged from 1961 to 2013. Fourteen of the weapons had manufacturing marks from factories located in countries of the former Eastern Bloc, while 12 had manufacturing marks from Chinese factories, four from Israeli manufactures, and one Ethiopian-manufactured weapon. The remaining weapons had indistinct or illegible markings. Given the lack of information on provenance, it is not possible to say with certainty when many of these weapons entered South Sudan, however the Panel has been able to establish that the Israeli manufactured weapons were part of a consignment shipped to South Sudan in September 2013.[1] Given the markings on the Israeli weapons, the Internal Security Bureau of the South Sudanese National Security Service appears to have been the consignee. The Panel is attempting to trace other weapons in this sample where data is available.

A sample of the weapons documented is represented in the pictures below:

Figures I & II
Model Type 56-1, produced by State Factory 26 in China in 2013. Weapons with the same manufacturing marks were documented by the NGO Conflict Armament Research near Bentiu, South Sudan in May 2014.[2]

Figure I

[1] Panel official correspondence with the Government of Israel, 24 October 2017
[2] Email conversation with Conflict Armament Research, October 2017

Figure II

Figures III & IV
AKM manufactured by Izhevsk Machinebuilding Plant in the USSR in 1961.

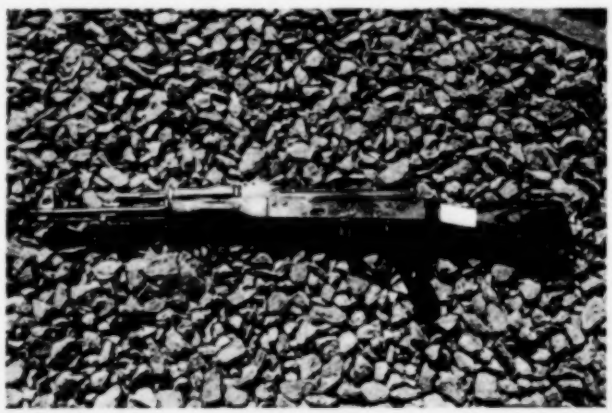


Figure III

Figure IV

Figures V & VI
ACE 31 Assault rifle produced by Israel Weapons Industries (IWI), with marking ISB NSS (Internal Security Bureau of the South Sudan National Security Service).

Figure V

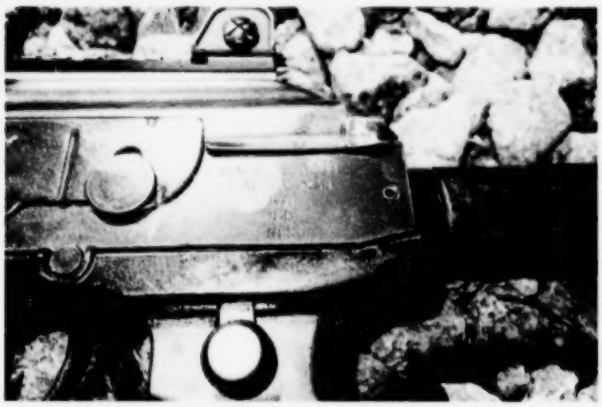


Figure VI

Figures VII & VIII
CQ model assault rifle (5.56mm calibre), manufactured in China, likely in 2013.

Figure VII

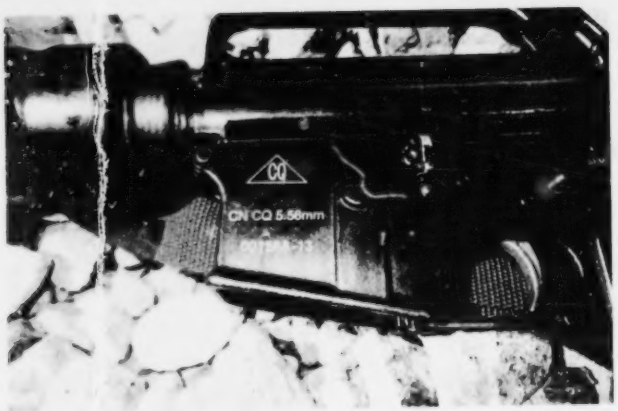


Figure VI.I

Figures IX & X
Ethiopia : AK - Pattern GAFAT-1.

Figure IX

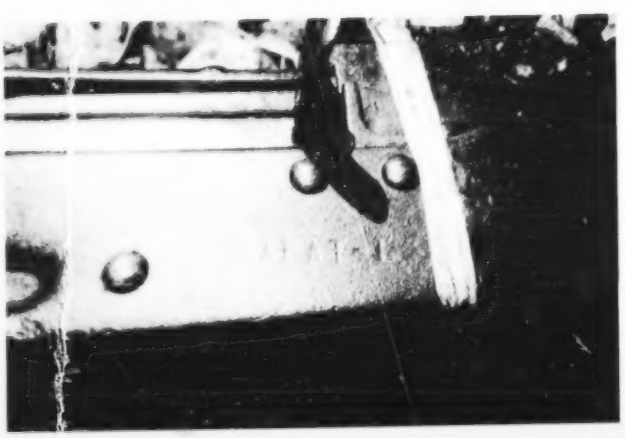


Figure X

Figures XI & XII
RPG Launcher with manufacturing marks removed

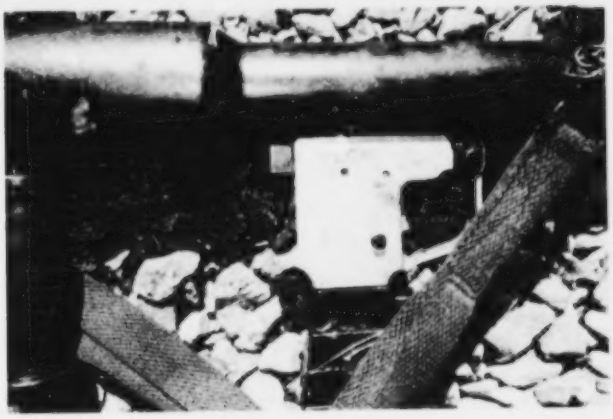


Figure XI

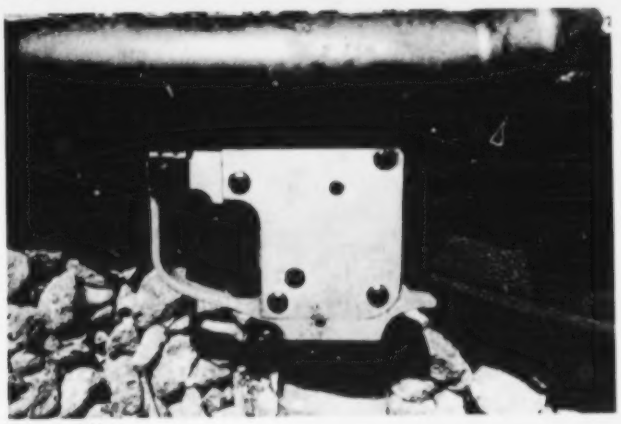


Figure XII

Figures XIII & XIV
Chinese manufactured PKM Light Machine gun.

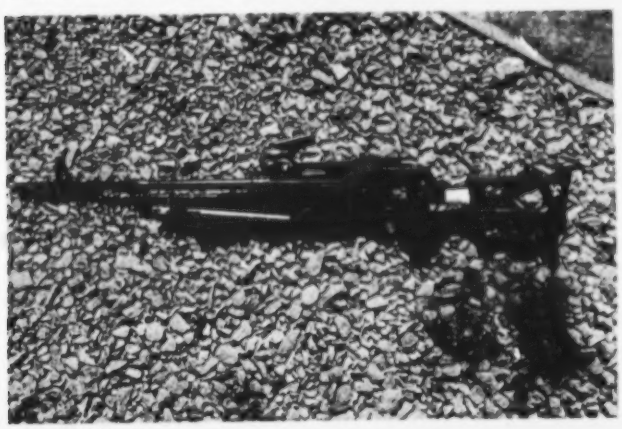


Figure XIII

Figure XIV

Ammunition

Figures XI, XII & XIII

The Panel also examined the more than 3,000 rounds of ammunition also seized by UNMISS in July 2016. However, given the time available and the number of rounds and diversity of the sources of manufacture, it was not possible to document every piece of ammunition. As the rounds are without their packaging, tracing them to their first consignee is impossible. Nevertheless, the examination indicates that none of the ammunition was manufactured after 2015.

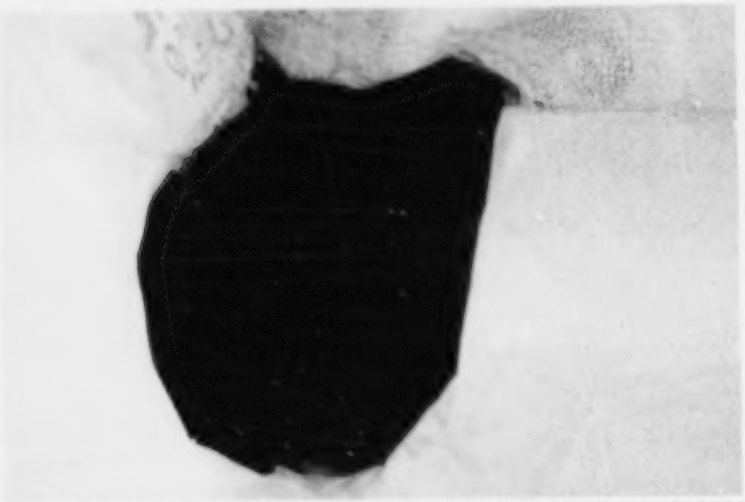


Figure XI: Rounds of 7.62mm ammunition seized by UNMISS in July 2016

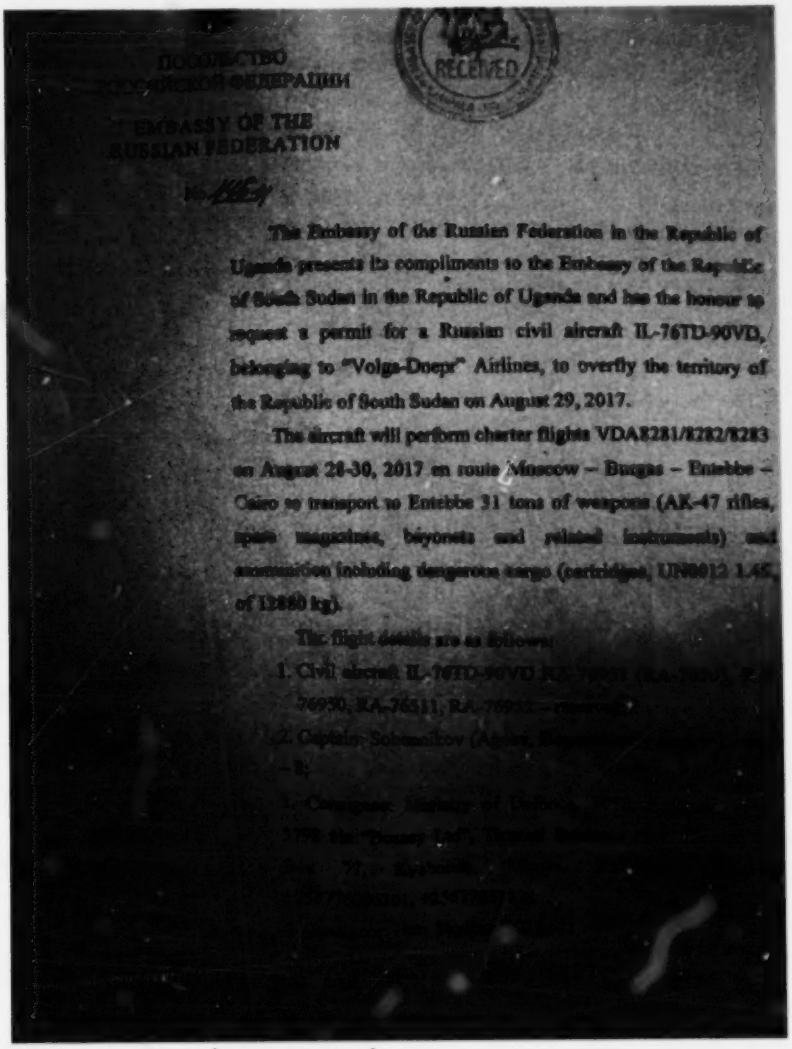
Figure XII: Sample of 7.62x39mm ammunition

Figure XVII: Sample of 7.62x52Rmm ammunition

Figure XVIII: Sample of 5.56mm ammunition

Annex 11 Weapons transport document

The following documents were provided to the Panel by a confidential source on 20 August 2017. The documents subsequently appeared in some media reporting in September 2017.



ПОСОЛЬСТВО
РОССИЙСКОЙ ФЕДЕРАЦИИ

EMBASSY OF THE
RUSSIAN FEDERATION

RECEIVED

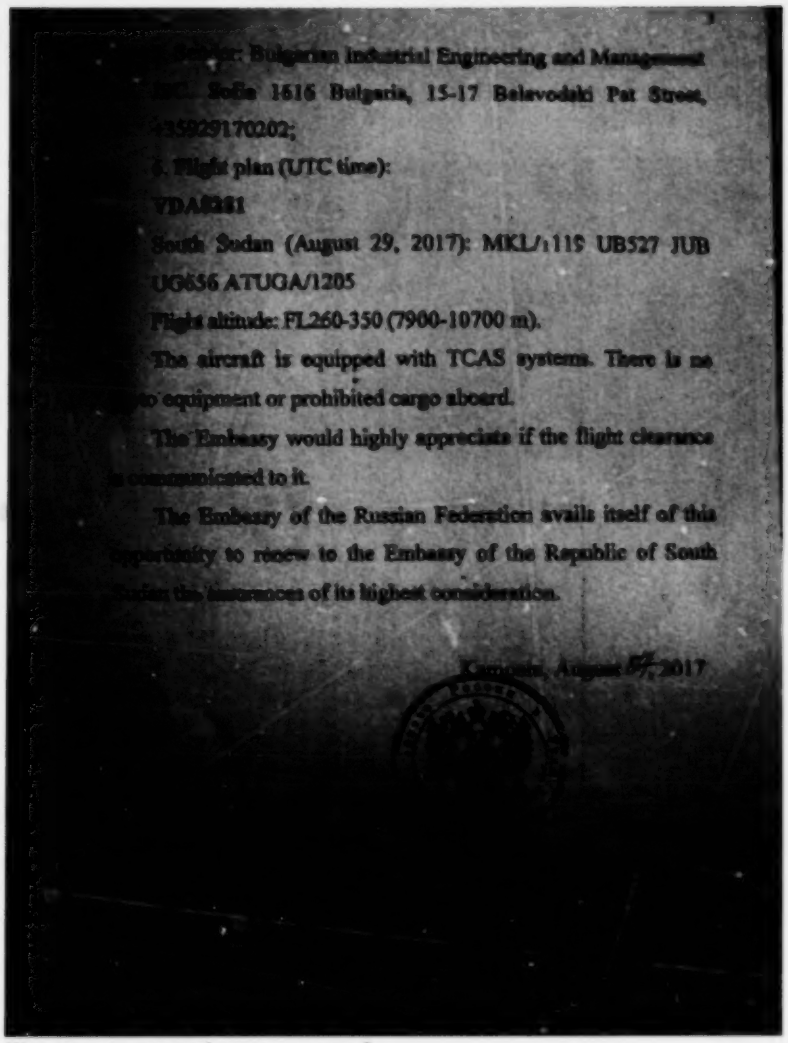
The Embassy of the Russian Federation in the Republic of Uganda presents its compliments to the Embassy of the Republic of South Sudan in the Republic of Uganda and has the honour to request a permit for a Russian civil aircraft IL-76TD-90VD, belonging to "Volga-Dnepr" Airlines, to overfly the territory of the Republic of South Sudan on August 29, 2017.

The aircraft will perform charter flights VDA8281/8282/8283 on August 28-30, 2017 en route Moscow – Burgas – Entebbe – Cairo to transport to Entebbe 31 tons of weapons (AK-47 rifles, spare magazines, bayonets and related instruments) and ammunition including dangerous cargo (cartridges, UN0012 1.4S, of 12880 kg).

The flight details are as follows:

1. Civil aircraft IL-76TD-90VD RA-76951 (RA-76950, RA-76511, RA-76815 – reserve);

Weapons transport document, page 1



Bulgarian Industrial Engineering and Management
Sofia 1616 Bulgaria, 15-17 Belavodski Pat Street,
+359291702O2;

6. Flight plan (UTC time):

VDA8281

South Sudan (August 29, 2017): MKL/1115 UB527 JUB
UG656 ATUGA/1205

Flight altitude: FL260-350 (7900-10700 m).

The aircraft is equipped with TCAS systems. There is no
equipment or prohibited cargo aboard.

The Embassy would highly appreciate if the flight clearance
communicated to it.

The Embassy of the Russian Federation avails itself of this
opportunity to renew to the Embassy of the Republic of South
Sudan the assurances of its highest consideration.

Kampala, August 07, 2017

Weapons transport document, page 2

Annex III Implementation of the asset freeze and travel ban

Pursuant to Security Council resolution 2206 (2015), the Panel has continued to gather, examine and analyze information regarding the implementation by Member States of the asset freeze on the six designated individuals. The definition of "assets" covers all funds, other financial assets and economic resources, which are owned or controlled, directly or indirectly, by any individuals or entities, that may be designated by the Committee, or by any individuals or entities acting on their behalf or at their direction, or by entities owned or controlled by them.[1]

The Panel has obtained evidence indicating that Marial Chanuong Yol Mangok,[2] one of the six listed individuals, still maintains asserts in South Sudan. The Panel's investigation found that Mangok is a shareholder of a business registered in South Sudan. Documents obtained by the Panel on his assets establish the following:

- That on 23 May 2011, Marial Chanuong Yol Mangok was registered as one of the directors of Global Services International Co Ltd.[3] His share of the company's capital is 40 per cent. The nominal share capital of the company is USD$500,000. Marial Chanuong Yol Mangok's share would therefore amount to USD$200,000.

- That on 6 August 2012, Monywiir Marial Chanuong was registered as one of the directors of Planet Holdings Ltd.[4] During the course of its investigations, the Panel established that Monywiir is the son of sanctioned individual Marial Chanuong Yol Mangok[5], who according to Panel sources, remains the actual beneficiary of 25 per cent of Planet Holdings Ltd.[6] The nominal share capital of the company is USD$100,000. Marial Chanuong Yol Mangok's share would therefore amount to USD$25,000.

- That on 5 November 2008, Gum Mariai Chanuong was registered as one of the directors of the Ciec Trading Investment Company.[7] On 18 March 2013 the presence of Gum Marial Chanuong in the Board of Directors of Ciec Trading Investment Company was confirmed by the Chief Registrar of Companies of the Ministry of Justice of the Republic of South Sudan.[8] During its investigations, the Panel established that Gum Marial Chanuong is the son of listed individual Marial Chanuong Yol Mangok who is the actual beneficiary of 33.3 percent company's shares.

- In connection with the documentation obtained to date, the Panel has submitted an information request to Southern Sudan Associated Advocates to provide information that Marial Chanuong Yol Mangok, Monywiir Marial Chanuong and Gum Marial Chanuong are still members of the Board of Directors of the abovementioned companies, but has received no response.[9]

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[1] Resolution 2206 (2015), adopted by the Security Council on 3 Mar 2015.

[2] Marial Chanuong Yol Mangok was promoted to the position of the commander of Ground Forces on 24 May 2017. Eye Radio, "Kiir Appoints New Chiefs and Commanders for the Defense Forces," 24 May 2017.

[3] Memorandum and the Articles of Association of Global Services International Co Ltd. witnessed by private advocate Dengtiel A Kuur, member of Southern Sudan Associated Advocates from 24/05/2011.

[4] Memorandum and the Articles of Association of Planet Holdings Ltd. witnessed by private advocate Dengtiel A Kuur, member of Southern Sudan Associated Advocates from 06/08/2012.

[5] Interview with an SPLA-IO source in August 2017 in Kampala.

[6] Data obtained from the source in South Sudan opposition in July 2017.

[7] Memorandum and the Articles of Association of Global Services International Co Ltd. witnessed by private advocate Dengtiel A Kuur, member of Southern Sudan Associated Advocates from 05/11/2008.

[8] Document from the Chief Registrar of Companies of the Ministry of Justice of the Republic of South Sudan from 18/03/2013.

[9] S/AC.57/2017/PE/OC.50 -PoE request to Southern Sudan Associated Advocates from 22/09/2017.

- The Panel has also submitted six information requests to a number of banks operating in South Sudan to provide information about companies linked to Marial Chanuong Yol Mangok have their settlement account acting.[10]

- Investigations are continuing into the sanctioned individuals identified as shareholders of the companies with a view to establishing whether they have other assets in South Sudan.

On 11 May 2017, the Panel received a letter of reply from Kenya Commercial Bank indicating that KCB had "frozen all accounts advised under the United Nations Security Council designations, and will continue to do so." In an article dated 24 October 2017 in The East African, it was reported that the Central Bank of Kenya (CBK) had issued a circular on 10 October 2017 directing chief executives of Kenyan banks to give "a detailed report on accounts operated by the six generals as well as on assets they own or control directly or indirectly through other persons", and to report to the CBK by 5 November 2017.[11] This action was taken following a 6 September 2017 "Advisory to Financial Institutions on Political Corruption Risks in South Sudan" by the United States Financial Crimes Enforcement Network (FinCEN) that certain South Sudanese senior political figures may seek to abuse the financial system.[12]

[10] On 2 October 2017, requests for information were sent by the Panel to the Buffalo Commercial Bank, Alpha Commercial Bank, Equity Bank, International Commercial Bank, Ivory Bank, and Cooperative Bank of South Sudan.

[11] http://www.theeastafrican.co.ke/oped/comment/Sanctions-against-South-Sudan-should-worry-Kenyan-banks/434750-4116278-gtctebz/index.html.

[12] https://www.fincen.gov/resources/advisories/fincen-advisory-fin-2017-a004.

Annex IV Macroeconomic conditions

With world oil prices holding steady between USD 50/60 per barrel, and limited prospects for a significant increase in production, oil—which still accounts a significant proportion of the government's revenue—is not a viable near term financial lifeline.[1] The oil revenues for South Sudan are also limited by the continuing in-kind payments to Sudan in accordance with the September 2012 Agreement on Oil and Related Economic Matters (Agreement on Oil) signed by the two countries, which stipulated that South Sudan would pay Sudan USD 3.028 billion for oil transit fees over 4 years. The transit fees to Sudan constitute USD 25.01 per barrel[2] of oil extracted from South Sudan. The current problem with the Agreement on Oil is that the South Sudan payment schedule was dependent on oil production levels, which declined significantly during the conflict, as well as the fact that the possible influence of global price fluctuations on South Sudan's financial credibility was not reflected.[3] Furthermore, the current absence of an influx of foreign capital in the oil industry is conditioned by the pervasive insecurity in oil-producing areas.[4]

At the end of June 2017, the total volume of funds borrowed externally by the government of South Sudan was estimated at USD 974 million. However, this figure could be approximate due to the difficulties of getting to certain statistics. The absence of new creditors confirms that in the last two years the South Sudanese authorities have been almost unable to borrow externally. Only short-term advances from foreign oil traders (these amounts refer mainly to the Dutch commodity trading company Trafigura) showed an increase from the past year to June 2017 (from USD 229 million to USD 289 million).

Qatar National Bank (QNB) is a significant creditor of South Sudan, providing letters of credit totalling around USD 650 million. The borrowing from QNB ended following a sharp decline in oil revenues and the Central Bank of South Sudan's (CBSS) inability to follow the payment schedule. Consequently, in October 2015, QNB suspended the credit line. The existing credit facility was rescheduled in February 2016. The terms of the new schedule require South Sudan to pay QNB USD 10 million per month at one month Libor plus six percent margin. Later, the size of monthly instalments from CBSS to QNB was agreed to be reduced to US$5 million.[5]

[1] Xinhuanet, "South Sudan parliament passes budget for next fiscal year," 29 August 2017.

[2] Agreement between the Government of the Republic of South Sudan and the Government of the Republic of Sudan on Oil and Related Economic Matters, Addis Ababa, 27 Sept 2012. Also confirmed while meeting the government of South Sudan on 12 September 2017.

[3] Interview with former worker at the Ministry of Petroleum in September 2017.

[4] Xinhuanet, "South Sudan army downplays rebel's threat to stop oil production," 5 September 2017.

[5] Correspondence with International Monetary Fund dated 21 Jun. 2017; Letter from Qatar National Bank dated 3 October 2017, in reply to the Panel's letter of 14 August. 2017.